



Susana Martinez
Governor
Demesia Padilla, CPA
Cabinet Secretary

STATE OF NEW MEXICO
Taxation and Revenue Department
An Equal Opportunity Employer

FOR IMMEDIATE RELEASE
January 9, 2012

Contact: S.U. Mahesh
(505) 490-0976

DIVISIONS
Office of the Secretary
(505) 827-0341
Administrative Services
(505) 827-0369
Audit and Compliance
(505) 827-0900
Motor Vehicle
(505) 827-2296
Property Tax
(505) 827-0870
Revenue Processing
(505) 827-0800
Tax Fraud Investigations
(505) 841-6544

Cedar Crest Business Owner Indicted on Tax Evasion Charges

Santa Fe – A Cedar Crest, N.M., businessman has been indicted on tax evasion charges for allegedly not paying over \$17,000 in gross receipts taxes over a three-year period.

A Santa Fe grand jury on Thursday indicted Rocco Schultheis on 35 counts of attempt to evade or defeat taxes for not paying gross receipts taxes from January 2007 through December 2009. Schultheis, 43, owns and operates Pro Automotive Service and Sales on State Road 14 in Cedar Crest.

In New Mexico, most businesses charge their customers gross receipts taxes, and in turn are required by law to pay those taxes to the State within 25 days after their tax filing period.

“This is a classic example of how businesses can end up on a downward spiral by not paying gross receipts taxes in a timely fashion,” said Demesia Padilla, Cabinet Secretary for the State Taxation and Revenue Department. “Often times they end up in this situation by using gross receipts taxes to pay for their business or personal expenses, instead of paying the State. Businesses can easily avoid prosecution by following a regimented schedule to pay their gross receipts taxes.”

Schultheis is facing up to 175 years in prison and \$350,000 fines if convicted on all counts. He also is liable for interest and penalties on the unpaid \$17,000 gross receipts taxes.

The indictment in the First Judicial District Court in Santa Fe is the result of an investigation conducted by the New Mexico Taxation & Revenue Department’s Tax Fraud Investigations Division.

To report tax fraud, individuals can call the Tax Fraud Hotline at 1-866-457-6789.